MARINE MONEY

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Event Report

MARINE MONEY IN DUBAI

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We were again where the action is! **Marine Money** together with anchor sponsor **Tufton Oceanic** hosted the second **Gulf Ship Finance Conference** on 1st March 2006 at the Grand Hyatt Hotel in Dubai. The day was marked by the attendance of over 135 shipowners, ship financiers and shipping executives. We were treated to some interesting talks and discussions about what is happening in the region and where the finance is coming from. Like more and more of our conferences there was quite some discussion about the capital markets and the prospects of companies from the region accessing public equity. Most focus of course was on the regional equity markets and the DIFC in particular which will welcome foreign as well as local shipping companies to list in due course.

The day started with welcome remarks from **Mia Jensen** and **Kevin Oates** of Marine Money Greece and **Erik Lind**, CEO of our anchor sponsor Tufton Oceanic. **Marcus Machin** of arabCapital continued with a presentation about the Gulf region and the tremendous growth and potential therein. The numbers are huge in terms of investment and strategy. To note is that the region is spreading it's wings with major investments in 2005 and to date in 2006 in, amongst others, Ferrari, VW, Madame Tussauds, P&O Ports etc. So there certainly seems to be plenty money for investment. But is shipping the place to invest? For insight into this point **Riaz Khan**, Head of Research and Strategic Planning at DVB Bank presented on the outlook for the shipping market.

Our ship finance panel consisted of representatives of two owners – **Ali David Paksima** of Global Container Lines LLC and **Tamim Al Kuwari** of Qatar Gas Transport Company Ltd. The former a family liner company with a 20 year track record and elderly multi-purpose ships, the latter a newcomer but with staggering investments in LNG ships and facilities in the multi billion dollars. And two bankers – **Vijay Kamath** of National Bank of Fujairah ("NBF") and **Peter Illingworth** of DvB Bank London. The main point to come from the discussion was, interestingly enough, a common theme at many of our conferences. The top shipping companies with new vessels are well banked at home and from foreign banks. The smaller companies, successful though they may be, are not well served by local and regional banks and often have to go far afield to find financing at not always attractive terms. We hope that our conference may have gone some way to address this issue and to interest some local and regional financiers to focus on some of the smaller, successful regional shipping companies.

Jonathan Hill of Tufton Oceanic in London followed with a presentation indicating that Islamic Funding is indeed an applicable source of financing for certain shipping projects and Tufton Oceanic have successfully engineered such financing in 2005 and are pursuing greater things still in 2006. So much so in fact that Jonathan is soon to move permanently to Dubai.

The afternoon heard presentations from **Ketil Ostern**, CFO of Emirates Ship Investment Company talking about listing proceeds on the Abu Dhabi Securities market, from **Tony Edwards** of Stephenson Harwood on prospects for listing on the London AIM market and from **John Sinders** of Jefferies & Co who compared and contrasted the pros and cons of listing on other world markets – the US, London, Singapore and soon to be DIFC.

Tobias Koenig gave a presentation on KG structures and the day ended up with a general discussion from a top level panel about the threats and opportunities of the next 24 months. Moderated by John Sinders the panel comprised of Vijay Kamath, **Andrew Hampson**, MD of Tufton Oceanic, **Simon Booth**, MD Global Shipping at Citigroup UK, **Moinuddin Malim**, Senior VP and Head of Asset Management and Capital Markets at Dubai Islamic Bank and **Ramesh Ramakrishnan**, Chairman of Transworld Group. The threats lie in over capacity in terms of supply and the increasing clout of emerging markets such as China and the opportunities lie in opportunities for consolidation within the shipping world, potential for private shipping companies to access public equity in various capital markets around the globe, and ironically, the continued growth and development of the emerging markets like China and elsewhere.

We will be back again next year and we look forward to seeing you there. Any input or ideas about our 2007 Gulf conference would be welcome. We are always trying to improve and your comments enable us to do this.

Comments please to mia@marine-marketing.gr